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10 August 1966

MEMORANDUM FOR: Director of National Estimates

SUBJECT : Reactions to Department of the Army Study on VC/NVA Logistics

REFERENCE : Memorandum to the DCI from Major General John J. Davis, AC of S for Intelligence dated 25 July 1966

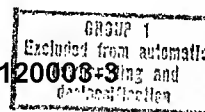
1. The referenced memorandum transmits the results of an Army (ACSI) investigation of the VC/NVA requirement for Class V (ammunition) supplies from sources external to South Vietnam. The ACSI study finds the VC/NVA daily requirement for Class V supplies to be about 3 short tons a day when calculated under the assumptions used in NIE 14.3-66, "North Vietnamese Military Potential for Fighting in South Vietnam," which estimated the same requirement to be from 12 - 20 tons a day. The ACSI study would indicate a total external logistic requirement of some 13 tons a day compared to the 20-30 tons a day published in the NIE.

2. On the basis of the ACSI study presenting estimates so much at variance with those published in the NIE, General Davis' letter suggests that the whole range of estimates dealing with enemy logistic requirements needs serious review.

3. During the working meetings and the draftings of this NIE, there were long and heated debates over the estimates of external logistics requirements. ORR supported the figure of 20 tons a day and DIA supported a figure of over 30 tons a day. The ACSI representative would not file a figure, but when DIA threatened to take a footnote if the estimate stood on the 20-ton figure, the ACSI representative stated that ACSI would go with the 20-ton figure. In discussing these estimates the ACSI representative indicated his belief that the basic loads essential to calculate requirements were lower than those used by either CIA or DIA. As the ORR representative at these sessions I agreed, but felt that in the absence of hard intelligence with which to determine what the basic load actually was, the community had no choice but to work with accepted methodologies and the best information available. I also felt that even though the CIA estimate probably overstated the current requirement, the degree of inflation was not grave since it would allow for the Viet

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review(s) completed.

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Cong main forces to be re-equipped with the new family of weapons. ORR objected strenuously to the DIA estimate because of its marked adjustment upwards of factors previously agreed in the community without the presentation of any intelligence to support an upward adjustment. The Chair ruled that, in view of the many uncertainties admitted by all involved, the estimate would be presented as a range embracing both the CIA and DIA estimates. ORR concurred reluctantly in the Chair's ruling, and only on the condition that the estimate would indicate that, in spite of the ranges presented, the lower figures (the CIA estimate) more nearly represented the actual requirement.

4. We should not accept the ACSI study until it is subjected to independent appraisal and evaluation by other members of the community. The principal impact of the study, if accepted, is that it confirms the general impression that the DIA estimate patently overstates the requirements and that the CIA estimate should probably be regarded as a maximum requirement.

5. In its present state the ACSI study leaves several questions unanswered such as the manner in which the size of VC units relative to NVA units was derived and the extent to which VC battalions are equipped with the new family of weapons. The ACSI study also is completely silent on the basic question that controls the logistics estimates -- the rate at which ammunition is expended. If it is assumed, for example, that the much smaller basic load used in the ACSI study requires each unit to expend its entire basic load each day it is in combat (rather than the one-third of its basic load used in the NIE), then the total external logistic requirement would be about 20 tons or essentially the same as the CIA estimate.

6. One policy implication of the ACSI estimate is to reinforce the CIA judgment that current external logistic requirements are so small in relation to the capacity of the infiltration routes through Laos that resupply cannot be stopped now or even under the conditions assumed in the projections published in the NIE. Moreover, the observation in the NIE that "... at these higher levels of forces and combat the excess of road capacities over requirements would be reduced during the rainy season.", becomes completely gratuitous, if one regards the ACSI estimate as a realistic appraisal.

7. The differences between the ACSI estimate and the higher CIA and DIA estimates become more significant to policymakers when one looks at the internal logistic situation within South Vietnam. The internal distribution system maintained by the Viet Cong shows signs of strains which, if intensified over the next year, could result in a large share of the supplies normally obtained in-country having to be procured externally. The external resupply problem

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theoretically could then become one which we would hope could be disrupted or seriously aggravated by air interdiction. If the ACSI estimate is held, however, even this slight degree of optimism becomes untenable.

8. Thus it is possible that the logistic estimates represent a problem on which we should concentrate further resources in order to reach community agreement. This venture would be costly. There are, in Headquarters, collections of over 7,000 raw intelligence documents, of which a preliminary survey indicates about 6,000 contain information relevant to determining logistic requirements. I estimate conservatively that it would take 3 - 4 people working full-time a good 2 months to complete the exploitation and analysis of these materials. The major thing to be said in favor of doing this is that it represents an elaboration of the ACSI approach to the problem (confined to 160 documents) which has the distinct advantage of being a method not tied to methodologies which essentially are arbitrary adjustments of logistic formulae used in US Army technical manuals. If such a program be undertaken, I would hope that it be done as an independent CIA effort. When completed, the draft could be circulated and discussed in meetings chaired by a member of the Board with the idea of the final product becoming a USMB-approved report.

9. If it is imperative that the Board of Estimates issue a Note to Holders relatively soon, the note could take one of at least three alternatives:

a. That rather than 20-30 tons, the daily external logistic requirement of the VC/NVA forces is no higher than 20 tons a day.

b. That the proper estimate of logistics requirement ranges from 13-20 tons a day. This range could be narrowed if agreement could be reached on increasing the rate of expenditure of the basic load.

c. That new intelligence shows that the estimate may have overstated actual requirements to such a degree that a complete re-examination of the entire question is in order.

I would appreciate ONE's reaction to this proposal and to the desirability of ORR taking on an independent reassessment of the logistics problem.

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